GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4267
ANSWERED ON:15.12.2000
IDBI BONDS
THAAWAR CHAND GEHLOT

Will the Minister of FINANCE be pleased to state:

(a) The number of Bonds sold by the Industrial Development Bank of India (IDBI) since 1999;

(b) The profit earned by the Industrial Development Bank of India (IDBI) through the sale of said bonds;

(c) whether the Industrial Development Bank of India (IDBI) has closed the scheme and has started refunding the amount collected through the Flexi Bond Scheme; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) The details of the number of Bonds issued by Industrial Development Bank of India (IDBI) since 1999 are given in Annexure.

(b) IDBI raised resources through Bonds to meet its requirements of funds for financing industry, infrastructure sector and deployment in its overall operations. IDBI, therefore, does not earn any profit by sale of these Bonds.

(c) & (d) Having regard to market dynamics and mutual interests, the Flexi bonds carried options on either side for early redemption. In view of the present prevailing interest rate conditions, IDBI has exercised the call option available under Flexibonds-1 (1996) in respect of Deep Discount Bonds and Retirement Bonds on August 1, 2000 as under :

Scheme	No.of Folios (in lakhs)	No. of Bonds (in lakhs)	Amount (Rs in crore)
Flexibonds-96 (Flexi-1)	18.90	22.21	2197.94
Redeemed upto December 1, 2000	14.47	17.21	1707.92
Balance to be redeemed as on December 1, 2000	4.43	5.00	490.02